



May 6, 2019

Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

**Re: *Ex Parte* Communication: CG Docket Nos. 03-123, 98-170**

Dear Ms. Dortch:

On May 2, 2019, Nick Alexander of CenturyLink and the undersigned of ITTA met with Lisa Hone, Gil Strobel, Victoria Goldberg, Doug Slotten, and Dick Kwiatkowski of the Wireline Competition Bureau, and Mark Stone, Kurt Schroeder, Erica McMahon, and Richard Smith of the Consumer and Governmental Affairs Bureau,<sup>1</sup> regarding ITTA's petition for declaratory ruling in the above-referenced proceedings.<sup>2</sup>

The bulk of the meeting was spent discussing how various carriers recover their costs of contributing to the TRS Fund. Some recover such costs via an exogenous adjustment in their annual access filing. Others recover them via a non-specific "regulatory charge" (or the like) line item.<sup>3</sup> And still others recover such costs via a combination of rates and a non-specific line item, depending on the particular services for which they are billing. We suggested that an order granting the Petition could make clear that carriers should not double recover their TRS costs through full recoveries via both rates and non-specific line items. Carriers should be permitted, however, to continue to recover their TRS costs through both rates and non-specific line items as needed to fully recover those costs. In other words, a carrier could recover some of its TRS costs through rates and some of its TRS costs through a non-specific line item to result in full recovery of those costs.

We also briefly addressed recent submissions to the record opposing the Petition. Some mischaracterize the Petition, failing to recognize that the Petition requests a declaratory ruling that it is and always has been permissible for a carrier recovering TRS Fund contributions via an end user cost recovery fee line item (or the like) on customers' bills to include TRS, *among other*

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<sup>1</sup> Messrs. Slotten, Kwiatkowski, and Smith participated by telephone.

<sup>2</sup> See ITTA Petition for Declaratory Ruling Regarding TRS Line Item Descriptions, CG Docket Nos. 03-123 and 98-170 (filed May 8, 2018) (Petition).

<sup>3</sup> Carriers in multi-year, fixed service rate contracts may find recovery as part of a general line item attractive because it is easier for billing systems to adjust a fee line item that is applicable to a variety of services where charges may be variable – such as is the case with TRS, which changes annually pursuant to changes in the TRS contribution factor – than it is to change service rates annually, and some contracts prohibit any service rate increases regardless of their source.

*references*, in the line item description. This is fully consistent with the Commission’s proscription of a “specifically identified charge” for TRS costs.<sup>4</sup> The Petition does not seek sanction to specifically identify on consumers’ bills costs attributable to TRS. While ITTA understands the earnestness underlying some recent submissions to the record, the fact is that neither the ADA nor Commission precedent says what these filers would like them to, nor do they preclude in any way the Commission issuing ITTA’s requested ruling.<sup>5</sup> The Commission’s Truth-in-Billing rules protect all consumers, by “clearly requir[ing] that a consumer’s monthly bill contain descriptions of all billed charges so consumers are fully informed about the basis of the charges.”<sup>6</sup> ITTA’s requested ruling balances the consumer protections fostered by the Truth-in-Billing rules with whatever reason the Commission had nearly three decades ago for prohibiting a “specifically identified charge” for TRS costs.<sup>7</sup>

Please do not hesitate to contact the undersigned with any questions regarding this submission.

Respectfully submitted,

/s/

Michael J. Jacobs  
Vice President, Regulatory Affairs

cc: Mark Stone  
Lisa Hone  
Gil Strobel  
Kurt Schroeder  
Victoria Goldberg  
Doug Slotten  
Richard Smith  
Erica McMahon  
Richard Kwiatkowski

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<sup>4</sup> See Petition at 4.

<sup>5</sup> See *id.*; see also Reply Comments of ITTA, CG Docket Nos. 03-123 and 98-170, at 2 (filed July 3, 2018).

<sup>6</sup> Petition at 5 (quoting *Gregory Manasher et al. Petition for Declaratory Ruling*, Declaratory Ruling, 33 FCC Rcd 2737, 2741, para. 13 (2018)).

<sup>7</sup> The Commission never elaborated upon this unexplained prohibition. See *id.* at 4.